

MANAGEMENT'S DISCUSSION AND ANALYSIS  
OF FINANCIAL POSITION AND RESULTS OF OPERATIONS  
For the years ended December 31, 2023 and 2022

**1.1 Date of report: April 29, 2024**

The following management's discussion and analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2023 and 2022 which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements and related notes are available at [www.sedar.com](http://www.sedar.com).

Management is responsible for the preparation and integrity of the Company's consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including that within the Company's consolidated financial statements and MD&A, is complete and reliable.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company's proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.

## 1.2 Overall Performance

The Company is a mineral resource company engaged in the acquisition and exploration of mineral properties in South America and Canada. As of March 10, 2022, the Company trades on the TSX Venture Exchange (“TSX-V”) under the symbol MAX; previously the Company traded under the symbol MXR. In February 2021, the Company was ranked in the top 10 performing stocks in the 2021 TSX Venture 50, which is comprised of the top 50 from over 1,600 companies on the TSX-V.

The Company owns the following subsidiaries:

Name	Jurisdiction
Gachala Colombia Corp.	British Columbia, Canada
Gachala Colombia Corp Sucursal Colombia (“Gachala”)	Colombia
Maxco Holdings Colombia Corp.	British Columbia, Canada
Valleduper Colombia Corp.	British Columbia, Canada
Valleduper Colombia SAS (“Valleduper”)	Colombia
Baccancas Colombia Corp.	British Columbia, Canada
Baccancas Colombia SAS (“Baccancas”)	Colombia
Bocono Colombia Corp.	British Columbia, Canada
Bocono Colombia Corp S.A.S. (“Bocono”)	Colombia
TUCO Resource Corp.	British Columbia, Canada
TUCO Resource Corp. S.A.C (“TUCO”)	Peru
Maximum Company Colombia SAS	Colombia
Bay Street Mineral Corp. (“Bay Street”)	British Columbia, Canada

### **Acquisition of Bay Street**

On November 14, 2023 (“Closing Date”), the Company completed a Share Exchange Agreement with the shareholder of Bay Street (“Bay Street Shareholder”) whereby the Company acquired 100% of the issued and outstanding common shares of Bay Street for 14,000,000 common shares of the Company with a fair value of \$1,404,454. 1,400,000 common shares issued to the Bay Street Shareholder were issued on closing with no hold period while the remaining 12,600,000 common shares issued are subject to hold periods that will release as follows: 2,100,000 common shares every six months from closing. The fair value of the shares were discounted to account for the hold period.

Based on the number of shares acquired and the Company’s decision-making power, the Company was determined to be the acquirer. The acquisition was determined to be an asset acquisition as Bay Street did not meet the definition of business. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values as at the Closing Date.

The total consideration paid totalled \$1,404,454 and has been allocated to the assets and liabilities acquired based on their estimated fair values on the Closing Date as follows:

	<b>Total</b>
	<b>\$</b>
<b>Consideration:</b>	
Shares issued	1,404,454
<b>Total Consideration:</b>	<b>1,404,454</b>
<b>Allocated as follows:</b>	
Cash	5,391
Taxes recoverable	5,677
Accounts payable	(163,671)
Exploration and evaluation asset	1,557,057
	<b>1,404,454</b>

### Financings

None

### Subsequent Events

On March 14, 2024, the Company extended the expiry date of 14,825,000 warrants with an exercise price of \$0.36 to March 28, 2025 from March 28, 2024.

In April 2024, the Company was awarded another initial mineral license application on its CESAR Project bring the total held to 89.

### Exploration and Evaluation Assets

The total cumulative acquisition and exploration and evaluation expenditures capitalized for the Company's current projects at December 31, 2023 is summarized as follows:

	<b>RT Gold Project \$</b>	<b>CESAR Project \$</b>	<b>Total \$</b>
Property acquisition/staking costs	1,084,390	1,557,057	2,641,447
Exploration costs			
Claim fees	73,589	-	73,589
Equipment and supplies	94,786	657,231	752,017
General administration	137,908	289,118	427,026
Geological consulting	2,268,211	7,669,578	9,937,789
Permits	-	196,747	196,747
Rent	-	241,608	241,608
Salaries and wages	323,044	1,042,494	1,365,538
Travel	144,008	115,733	259,741
Subtotal	4,125,936	11,769,566	15,895,502
Write-off of exploration asset	(4,125,936)	-	(4,125,936)
<b>Balance, December 31, 2023</b>	<b>-</b>	<b>11,769,566</b>	<b>11,769,566</b>

In addition to the amounts capitalized above, prior to 2023, the Company had incurred a further \$3,124,819 in exploration and evaluation expenditures relating to the Cesar project, while obtaining legal title of certain claims which were expensed when incurred.

For the year ended December 31, 2023, the Company capitalized exploration expenditures of \$6,712,819 compared to \$7,117,133 during the year ended December 31, 2022.

***Change in capitalized expenditures during the year ended December 31, 2023***

	RT Gold Project \$	CESAR Project \$	Total \$
Property acquisition/staking costs	203,761	1,557,057	1,760,818
Exploration costs			
Claim fees	73,589	-	73,589
Equipment and supplies	7,190	293,449	300,639
General administration	32,486	24,915	57,401
Geological consulting	468,706	3,433,269	3,901,975
Permits	-	56,383	56,383
Rent	-	42,146	42,146
Salaries and wages	17,376	417,051	434,427
Travel	16,782	68,659	85,441
Subtotal	819,890	5,892,929	6,712,819
Write-off of exploration asset	(4,125,936)	-	(4,125,936)
	(3,306,046)	5,892,929	2,586,883

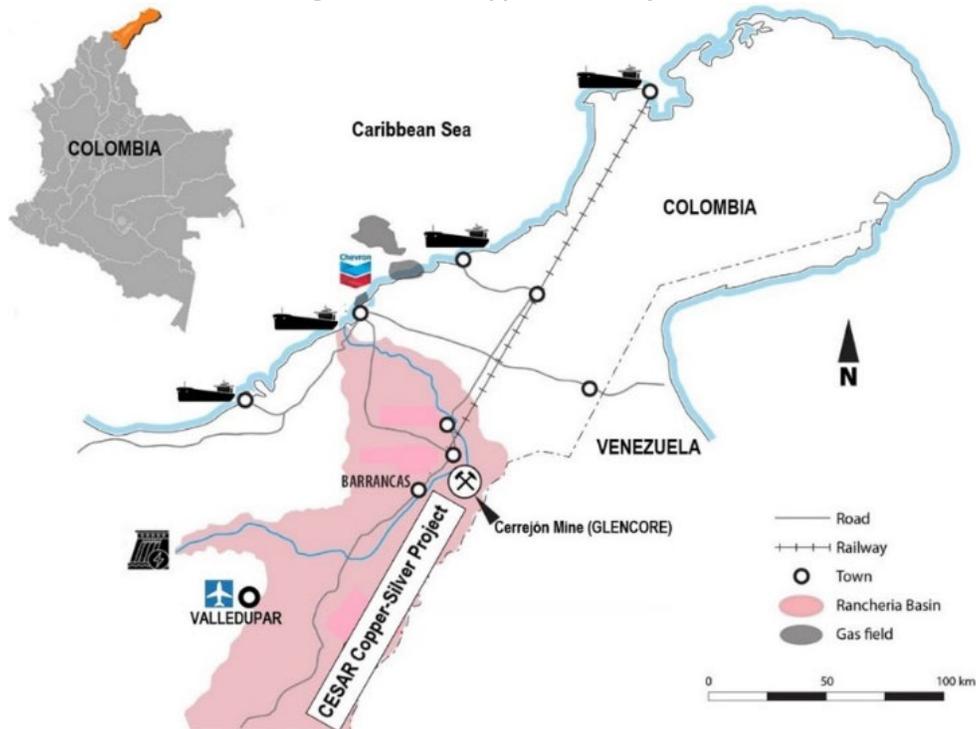
***Change in capitalized expenditures during the year ended December 31, 2022***

	RT Gold Project \$	CESAR Project \$	Total \$
Exploration costs			
Equipment and supplies	14,120	343,416	357,536
General administration	105,422	27,955	133,377
Geological consulting	1,130,608	4,182,732	5,313,340
Permits	-	135,814	135,814
Rent	-	199,455	199,455
Salaries and wages	305,668	596,714	902,382
Travel	31,958	43,271	75,229
	<b>1,587,776</b>	<b>5,529,357</b>	<b>7,117,133</b>

## CESAR COPPER SILVER PROJECT, NORTHEASTERN COLOMBIA

The Cesar Copper Silver Project comprises of three districts: AM, Conejo and URU. Collectively the three contiguous districts stretch over 120-km in NNE/SSW direction (refer to Figures 1 and 2).

**Figure 1: Cesar Copper Silver Project.**



This region provides access to major infrastructure from oil & gas and mining operations, includes Cerrejón, the largest coal mine in South America, held by global miner Glencore. Max's 20 mining concessions collectively span over 188-km<sup>2</sup>.

In 2022, Max executed a 2-year co-operation agreement with Endeavour Silver Corp. (TSX: EDR, NYSE: EXK), which assists to expand its 100% owned landholdings, Endeavour will hold an underlying 0.5% NSR.

### AM District

Starting in the far north of the Jurassic basin, classic stacked red bed outcrops with extensive lateral continuity have been rock sampled over many kilometres within the AM District. Highlight values of 34.4% copper and 305 g/t silver have been documented in the sedimentary red bed sequences. The Company confirmed that stratiform mineralization continues at depth with two scout drill holes completed earlier this year ([Max News Release dated April 4, 2023](#)). In addition, Colombian field crews continue to discover and sample new mineralized outcrops including at the recently identified AM-7 target ([Max News Release dated May 25, 2023](#) and [Max News Release dated June 22, 2023](#)) and the AM-08 target ([Max News Release dated September 20, 2023](#)).

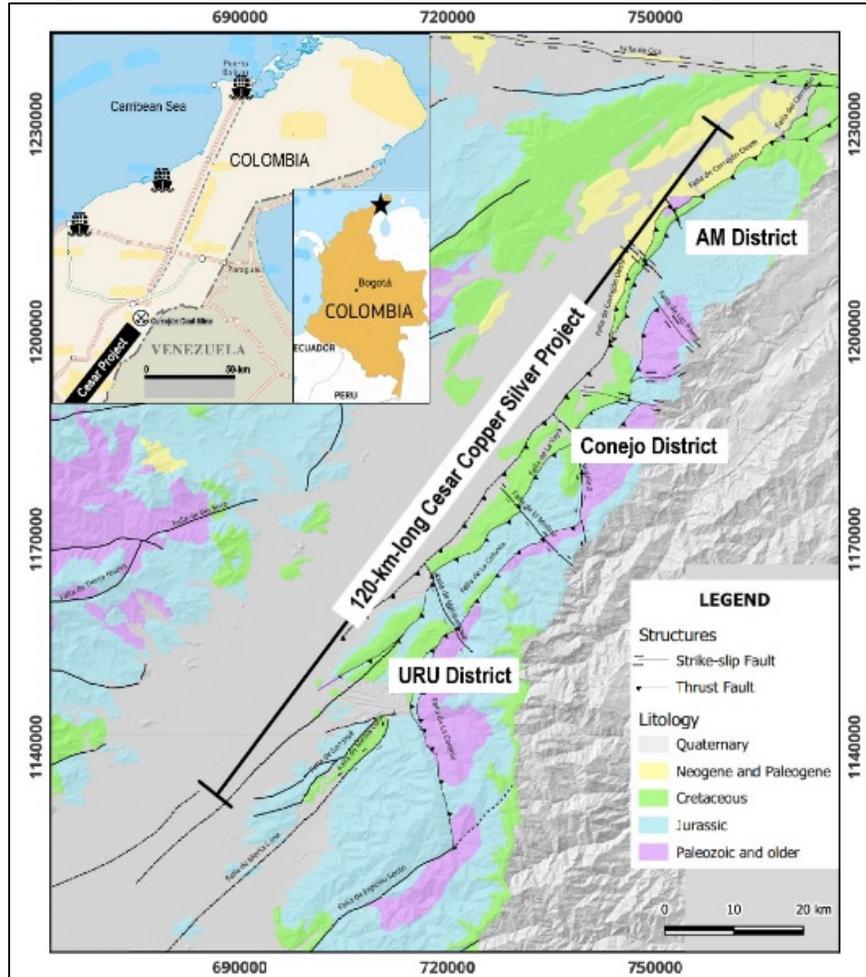
### Conejo District

Midway south, the Conejo District is the most recent to be recognized and is characterized by structurally controlled mineralization hosted in intermediate and felsic volcanic rocks. Numerous mineralized outcrops have been discovered over 3.7-km at the primary target in the district with surface samples averaging 4.9% copper (2% cut-off). No drilling has been conducted at Conejo, but it has emerged as priority area for the Company.

## URU District

Mineralization within the URU District is hosted in intermediate volcanic rocks and is structurally controlled. At URU-C, a 9.0m of 7.0% copper + 115 g/t silver surface discovery was confirmed at depth by drill hole URU-12, which intersected 10.6m of 3.4% copper + 48 g/t silver. At the URU-CE target, 750m to the east, 19.0m of 1.3% copper discovered in outcrop was confirmed by drill hole URU-9, which intersected a broad zone of copper oxide returning 33.0m of 0.3% copper from 4.0m, including 16.5m of 0.5% copper ([Max News Release date January 24, 2023](#)). (Note: all drill intersections are down holes widths, not true width, which remains unknown at this time.)

**Figure 2: 120-km-long Cesar Project. Three Districts AM, Conejo and URU.**



## Target Evaluation

Max has identified and is evaluating 27 targets along the Cesar 120-km-long belt for potential drill testing. The Company is focused on expanding, refining, and prioritizing these targets in preparation for a drill program. Initial efforts have been concentrated on those targets with the greatest size potential with work that includes the following field activities:

- Systematic chip and channel sampling of the mineralized outcrops.
- Detailed geological and structural mapping of each showing.
- Target scale prospecting and soil sampling.
- Airborne magnetic and radiometric surveys.

## Regional Exploration

Max has demonstrated that the Cesar basin is fertile for copper-silver mineralization over a large area, however, only a fraction of the basin has been explored. As a result, Max has dedicated one of its geological teams to regional exploration with the goal of discovering additional copper-silver prospects over 1,000-km<sup>2</sup>.

## URU District

The URU District lies along the southern portion of the Cesar 120-km-long copper silver belt, extending over 20-km of strike (refer to Figure 3). The copper mineralization is structurally controlled, predominantly chalcocite with localized weathering to malachite. Early-stage highlight rock chip channel results:

- 4.3% copper + 8 g/t silver over 10.0m.
- 3.9% copper + 7 g/t silver over 10.0m.
- 3.6% copper + 12 g/t silver over 10.0m.
- 2.7% copper + 1 g/t silver over 25.0m.
- 2.2% copper + 9 g/t silver over 25.0m.

Max is incorporating geophysical, rock geochemistry and drilling data from Max's programs for the geological model. The objective is to identify priority drill targets.

In Q4 of 2022, Max commenced its inaugural drilling program at the URU District. The objective was to test the continuity of the structurally controlled copper silver mineralization within the volcanic host rocks in the sub-basinal environment of the Cesar sedimentary basin. Drilling the URU-C and URU-CE targets, located 0.75-km apart, confirmed the continuation of copper silver mineralization at depth (refer to Figures 2 to 7, Tables 1 and 2).

At URU-CE, the surface discovery, 19.0m of 1.3% copper, showed continuity to depth in hole URU-9, which intersected a broad zone of copper oxide of 33.0m of 0.3% copper from 4.0m, including 16.5m of 0.5% copper. The broad associated alteration zone implies the potential for a bulk tonnage system.

**Figure 3: URU District – 12 Priority Targets.**

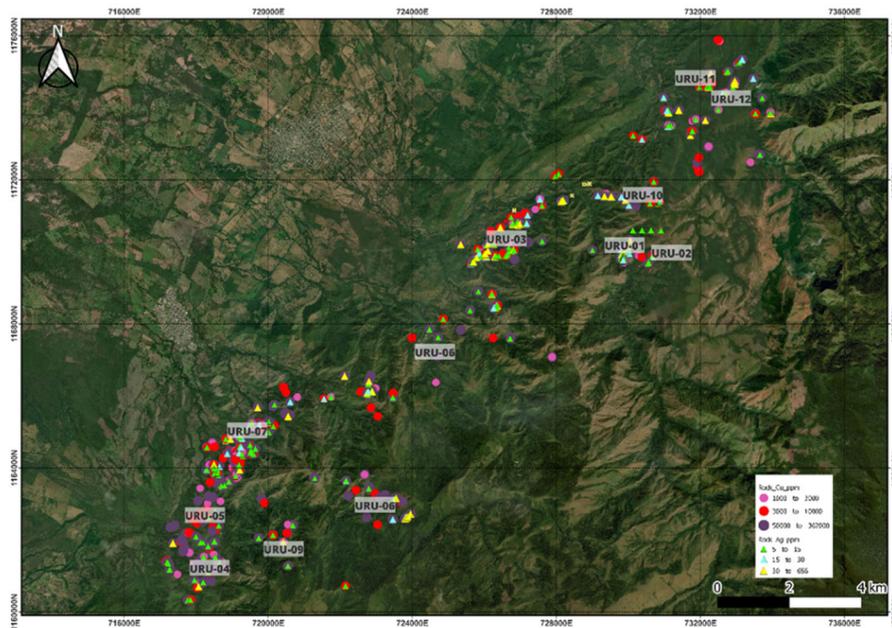


Figure 4: URU-C, Drilling Plan View

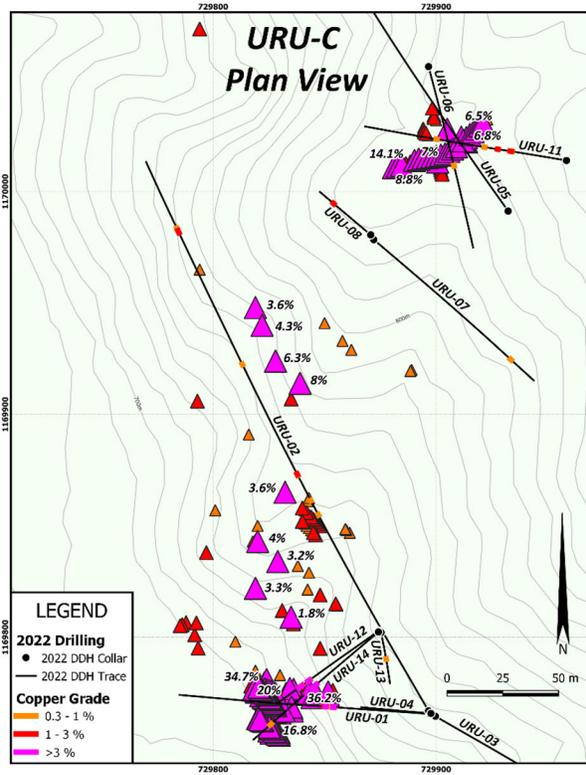


Figure 5: URU-C, Drilling Cross Section

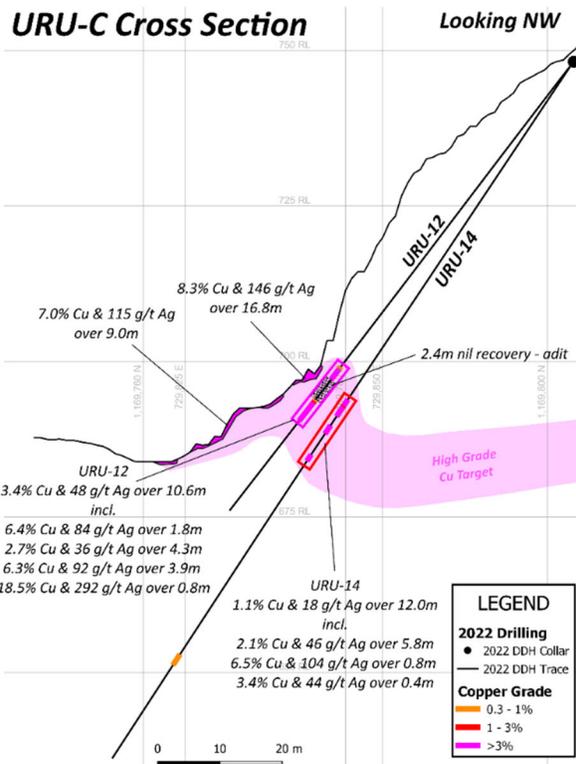


Figure 6: URU-CE, Drilling Plan View.

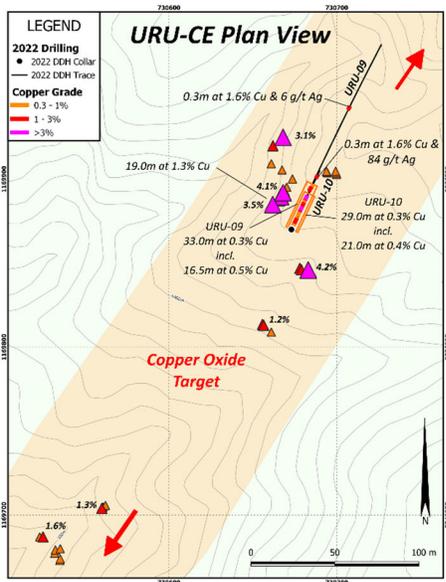
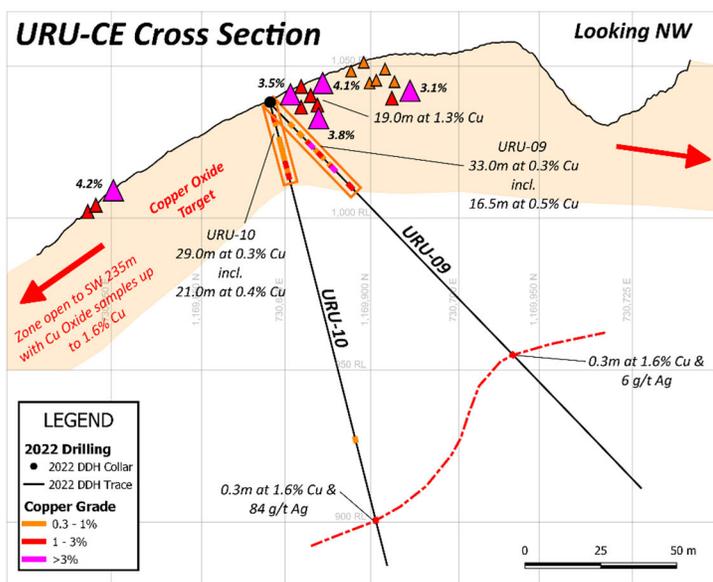


Figure 7: URU-CE, Drilling Cross Section.



**Table 1: 2022 Drilling Highlights (core intervals, true widths are unknown at this time)**

Drill Hole	From (m)	To (m)	Copper (Cu) and Silver (Ag)
URU-12	62.3	72.9	3.4% copper + 48 g/t silver over 10.60m
including	62.3	64.1	6.4% copper + 84 g/t silver over 1.80m
including	62.3	66.61	2.7% copper + 36 g/t silver over 4.31m
including	66.61	69.01	0% copper + 0 g/t silver over 2.40m (nil core recovery)
including	69.01	72.9	6.3% copper + 92 g/t silver over 3.89m
including	71.76	72.53	18.5% copper + 292 g/t silver over 0.77m
URU-14	64.92	77.45	1.2% copper + 18 g/t silver over 12.53m
Including	65.53	71.3	2.1% copper + 46 g/t silver over 5.77m
including	70.55	71.3	6.5% copper + 104 g/t silver over 0.75m
URU-1	66.75	73.72	1.4% copper + 8 g/t silver over 6.97m
URU-2	335.52	343.2	0.6% copper + 7 g/t silver over 7.68m
including	335.52	336.9	2.1% copper + 30 g/t silver over 1.38m
URU-9	4.87	37.84	0.3% copper oxide over 32.97m
including	13.25	29.7	0.5% copper oxide over 16.45m
including	27.56	29.7	1.9% copper oxide over 2.14m
URU-10	3.65	32.3	0.3 % copper oxide over 28.65m
including	4.26	24.92	0.4% copper oxide over 20.66m

**Table 2: Drill hole locations**

DH No.	E_WGS84z18N	N_WGS84z18N	Elevation (m)	Azimuth	Dip	Hole Length (m)	Target
URU-1	729,897	1,169,766	744	275	-50	173.73	URU-C
URU-2	729,897	1,169,767	745	330	-45	381.60	URU-C
URU-3	729,900	1,169,765	744	120	-45	205.74	URU-C
URU-4	729,898	1,169,766	745	275	-70	90.83	URU-C
URU-5	729,932	1,169,991	836	325	-45	261.51	URU-C
URU-6	729,897	1,170,056	835	165	-45	118.56	URU-C
URU-7	729,872	1,169,978	825	130	-45	136.85	URU-C
URU-8	729,871	1,169,981	825	310	-55	53.03	URU-C
URU-9	730,673	1,169,871	1037	25	-45	174.65	URU-CE
URU-10	730,673	1,169,870	1037	25	-75	155.44	URU-CE
URU-11	729,957	1,170,020	860	280	-45	131.36	URU-C
URU-12	729,872	1,169,804	750	235	-52	90.65	URU-C
URU-13	729,872	1,169,804	750	170	-80	136.63	URU-C
URU-14	729,872	1,169,804	750	230	-55	133.19	URU-C

### Conejo District

Midway south, the Conejo District is the most recent to be recognized and is characterized by structurally controlled mineralization hosted in intermediate and felsic volcanic rocks. Numerous mineralized outcrops have been discovered over 3.7-km at the primary target in the district with surface samples averaging 4.9% copper (2% cut-off).

A second discovery was identified approximately 1.6-km east (refer to Figure 8). To date, no drilling has been conducted.

**Figure 8: Conejo District - Second Discovery.**



### **CESAR Exploration Completed During the Three Months Ended December 31, 2023**

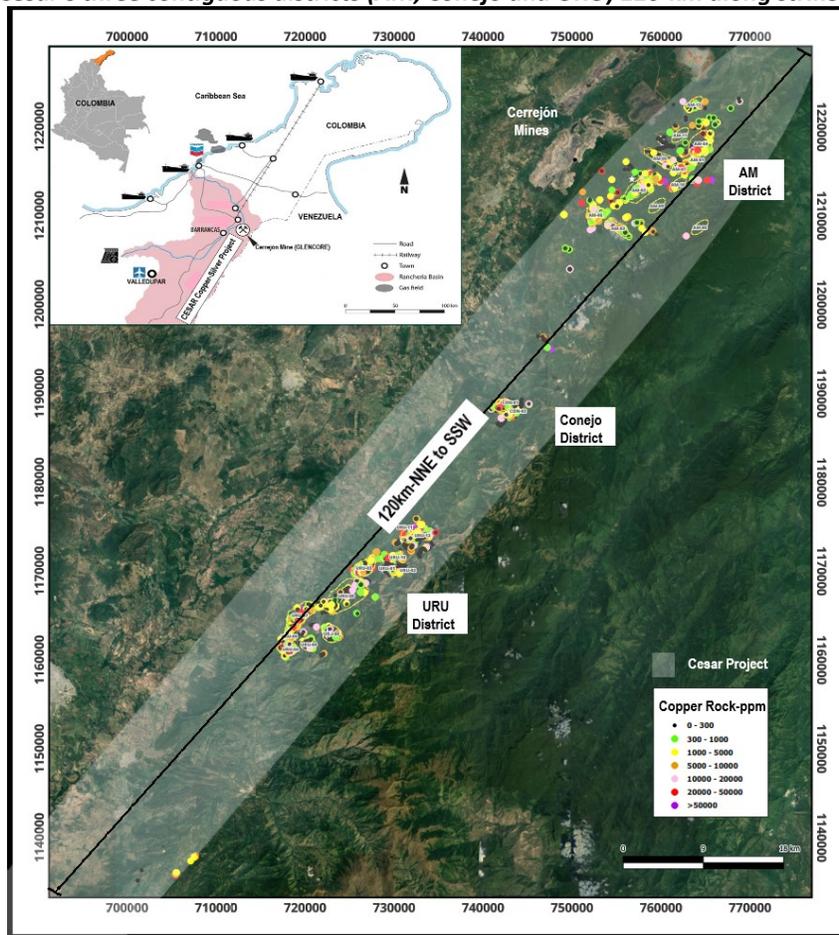
On October 24, Max announced the identification of four new targets (AM-9 to AM-12) within the AM District resulting from the initial interpretation of airborne magnetic-radiometric data. As a result, Max has extended the survey by a further 6,000 line-km (refer to Figure 10).

The initial results demonstrate an excellent correlation between the known areas of mineralization and magnetic-radiometric data. The datasets will be instrumental for understanding geologic structures (faults), which act as the conduit for mineralized fluids to infiltrate the permissive sedimentary rocks and precipitate the copper-silver minerals.

Based on the strength and efficacy of the data, Max has elected to extend the survey to cover the two districts south of AM: the Conejo and URU Districts. In total, there will be 10,000-line-km covering approximately 1,150 sq-km.

On November 7, Max announced it has secured 12 additional applications for mining concessions covering over 132-km<sup>2</sup>, extending the Cesar copper silver project to over 120 km (previously 90 km) along strike in a north-northeast/south-southwest direction (refer to Figure 9).

**Figure 9: Cesar's three contiguous districts (AM, Conejo and URU) 120-km along strike NNE/SSW.**



In addition, Max has executed a Share Exchange Agreement (“Agreement”) pursuant to acquiring all the issued and outstanding shares of Bay Street Mineral Corp. (“Bay Street”) an arms-length Canadian Corporation.

In consideration for the acquisition of Bay Street, Max issued the shareholder of Bay Street a total of 14,000,000 common shares (“Shares”) in the capital of Max. The Shares are subject to escrow and shall be released over a 36-month period, commencing on the closing date of the acquisition. Bay Street holds an underlying 3% net smelter royalty (“Royalty”), over 19 mining concessions covering 184-km<sup>2</sup> and 31 mining concession applications covering 796-km<sup>2</sup> of the Cesar Project (the “Royalty”). Through its acquisition of Bay Street, the Company has effectively acquired the Royalty interest.

On November 21, the Company closed its acquisition of all the issued and outstanding shares of Bay Street. Max has obtained TSX-V approval for this acquisition.

On November 21, Max released high-grade assay results from continuous rock-chip channel sampling collected at the recently discovered AM-08 target, located in the AM District. AM-08 lies approximately 7 km southeast of the AM-07 (refer to Figures 10 to 12 and Tables 3 to 6).

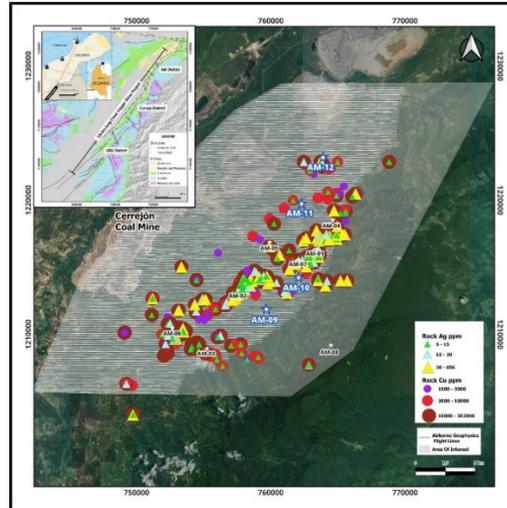
**AM-08 Highlights**

- Continuous chip channel sampling across the width of the structurally controlled mineralization at the primary outcrop returned:
  - 2.6% copper + 58 g/t silver over 15.0m including,
  - 3.5% copper + 77 g/t silver over 10.0m including,
  - 8.1% copper + 172 g/t silver over 1.0m.

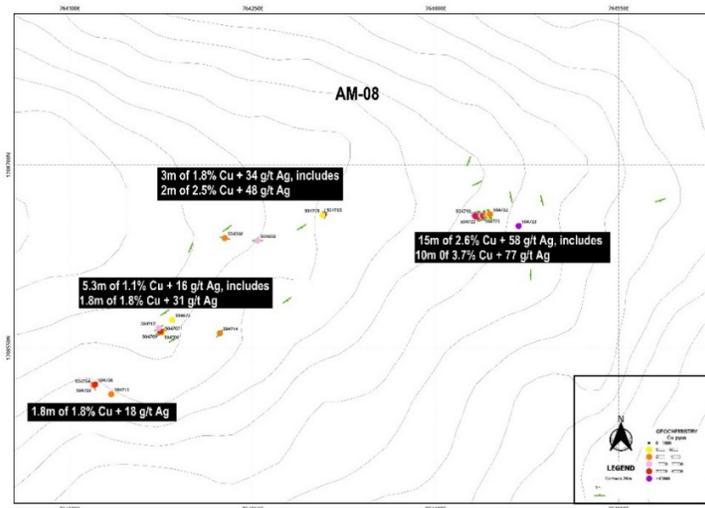
In addition, continuous chip channel sampling across mineralized outcrops at several locations west of the primary occurrence returned:

- 2.5% copper + 48 g/t silver over 2.0m.
- 1.8% copper + 18 g/t silver over 1.8m.
- 1.1% copper + 16 g/t silver over 5.3m.

**Figure 10: AM District Target Map.**



**Figure 11: AM-08 Chip Channel Sample Locations.**



AM-08 is characterized by the presence of two styles of copper silver mineralization: structurally controlled and stratiform sediment hosted. Stratiform mineralization at AM-08 has been mapped along strike for 400m.

The two types of copper-silver mineralization observed at AM-08, structurally controlled and stratiform:

- The structurally controlled mineralization is hosted in an NNE striking fault and is thickest where it intersects an NNW striking fault. The primary copper mineral is chalcocite which occurs in multiple veins up to 3cm thick.
- Stratiform mineralization is observed where the mineralized structure comes into contact with sedimentary rocks or lithological contacts. Copper minerals include chalcocite and bornite which form irregular veins that are concordant with the strata. The strike and dip of bedding in the AM-08 area is measured at 30°N to 60°E and 30°NE respectively.

**Figure 12: AM-08 Target – Photograph of Primary Mineralized Outcrop Sampling**



**Table 3: Chip Channel Results of Primary Outcrop (Structurally Controlled Mineralization) at AM-08.**

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Interval (m)	Copper (%)	Silver (g/t)
	Easting (m)	Northing (m)				
504732	764,445	1,208,660	Hydrothermal Breccia	1.0	0.6	17
504731	764,444	1,208,659	Hydrothermal Breccia	1.0	0.3	10
504730	764,443	1,208,659	Hydrothermal Breccia	1.0	1.4	32
504729	764,442	1,208,659	Hydrothermal Breccia	1.0	0.7	17
504728	764,441	1,208,659	Hydrothermal Breccia	1.0	0.8	17
504727	764,440	1,208,659	Hydrothermal Breccia	1.0	3.9	91
504726	764,439	1,208,658	Hydrothermal Breccia	1.0	4.2	96
504725	764,438	1,208,658	Hydrothermal Breccia	1.0	1.3	32
504724	764,437	1,208,658	Hydrothermal Breccia	1.0	1.4	37
504723	764,436	1,208,658	Hydrothermal Breccia	1.0	3.6	82
504722	764,435	1,208,658	Hydrothermal Breccia	1.0	3.2	89
504721	764,434	1,208,658	Hydrothermal Breccia	1.0	8.1	172
504720	764,433	1,208,658	Hydrothermal Breccia	1.0	3.1	48
504719	764,432	1,208,658	Hydrothermal Breccia	1.0	4.6	97
504718	764,431	1,208,659	Hydrothermal Breccia	1.0	1.6	28
<b>Weighted Average Assay Result</b>				<b>15.0</b>	<b>2.6</b>	<b>58</b>
<b>including</b>				<b>10.0</b>	<b>3.5</b>	<b>77</b>
<b>including</b>				<b>5.0</b>	<b>4.5</b>	<b>98</b>

**Table 4: Chip Channel Assay Results from Outcrop of Stratiform Mineralization at AM-08.**

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Interval (m)	Copper (%)	Silver (g/t)
	Easting (m)	Northing (m)				
504712	764,176	1,208,562	Siltstone	1.0	1.9	25
504711	764,175	1,208,563	Siltstone	0.5	0.0	0.3
504710	764,174	1,208,564	Siltstone	1.0	0.0	0.3
504709	764,174	1,208,564	Siltstone	1.0	2.7	47
504708	764,173	1,208,565	Siltstone	0.8	0.9	15
504707	764,173	1,208,566	Siltstone	1.0	0.3	8
<b>Weighted Average Assay Result</b>				<b>5.3</b>	<b>1.1</b>	<b>16</b>
<b>Including</b>				<b>1.8</b>	<b>1.8</b>	<b>31</b>

**Table 5: Chip Channel Results from Outcrop of Structurally Controlled Mineralization at AM-08.**

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Interval (m)	Copper (%)	Silver (g/t)
	Easting (m)	Northing (m)				
504705	764,307	1,208,659	Dacite	1.0	4.9	93
504703	764,309	1,208,660	Dacite	1.0	0.1	2
504704	764,308	1,208,659	Dacite	1.0	0.3	8
<b>Weighted Average Assay Result</b>				<b>3.0</b>	<b>1.8</b>	<b>34</b>
<b>Including</b>				<b>2.0</b>	<b>2.5</b>	<b>48</b>

**Table 6: Chip Channel Results from Outcrop of Stratiform Mineralization at Target AM-08.**

Sample Number	UTM Coordinates (WGS84 Z18N)		Host Rock	Interval (m)	Copper (%)	Silver (g/t)
	Easting (m)	Northing (m)				
504736	764,121	1,208,520	Siltstone	0.6	2.9	23
504735	764,120	1,208,520	Siltstone	0.6	0.7	10
504734	764,119	1,208,519	Siltstone	0.6	1.8	22
<b>Weighted Average Assay Result</b>				<b>1.8</b>	<b>1.8</b>	<b>18</b>

Quality Assurance for November 21, 2023, Assay Results

All AM-08 rock chip samples are shipped to ALS Lab's sample preparation facility in Medellin, Colombia. Sample pulps sent to Lima, Peru, for analysis. All samples were analyzed using ALS procedure ME-MS41, a four-acid digestion with inductively coupled plasma finished. Over-limit copper and silver are determined by ALS procedure OG-62, a four-acid digestion with an atomic absorption spectroscopy finish. ALS Labs is independent from Max.

**RT GOLD PROJECT IN PERU**

On September 16, 2020, Max executed an option agreement to acquire a 100% interest in the RT Gold property and on November 4, 2021, the option agreement was amended to change the dates and payments to:

- pay US\$300,000 to the vendors on execution of the agreement (paid)
- pay US\$300,000 on or before October 30, 2021 (paid)
- pay US\$150,000 on or before March 20, 2023 (paid)
- pay US\$150,000 on or before March 20, 2024
- pay US\$300,000 on or before March 20, 2025
- pay US\$300,000 on or before March 20, 2026
- pay US\$3,000,000 on or March 20, 2027

Upon the Company acquiring a 100% interest in the RT Gold property, the vendors will retain a 2.5% net smelter royalty.

RT Gold consists of two contiguous mineral concessions located 760-km northwest of Lima, Peru and sits along the Cajamarca Metallogenic belt, extending north from Central Peru into Southern Ecuador (refer to Figures 13, 14 and Table 7).

This prolific belt hosts a number of world class deposits; In Ecuador, the Fruta Del Norte<sup>1</sup> discovery of 15.49Mozs gold, Mirador<sup>2</sup> with 2.67Mt copper and 2.74Mozs gold (2008) and the new discovery by Solaris Resources at its Warintza<sup>4</sup> deposit with 2.7Mt of copper and 0.93Mozs gold. On the Peruvian side; Newmont’s Yanacocha<sup>3</sup> 8.61Mozs gold.

Two distinct mineralized systems occur: CERRO, a bulk tonnage gold-bearing porphyry zone, and 3-km to the northwest, TABLON, a gold-bearing massive sulphide zone.

*Sources:*

1. *Amended NI43-101 Technical Report Fruta Del Norte Mine Ecuador. By: R.Hochstein, D.El Rassi, J.Cox, N.Lincoln, N.Hemrajani Singh for Lundin Gold Inc. Dated 2023-Mar-29.*
2. *Technical Report Update on the Copper, Gold, and Silver Resources and Pit Optimizations: Mirador and Mirador Norte Deposits. By: G.Sivertz, S.Ristorcelli, S.Hardy for Corriente Resources Inc. Dated 2006-Nov-30.*
3. *NI 43-101 Technical Report for the Warintza Project, Ecuador. By: M.Rossi for Solaris Resources Inc. Dated 2022-Apr-01.*
4. *Newmont Corporation 2022 Mineral Reserves Release dated 2023-Feb-23.*

Subsequent to December 31, 2023, the Company decided that substantive expenditures for further exploration on the RT Gold Project would not be budgeted nor planned and as such, the Company wrote off the property as at December 31, 2023.

**RT Gold Exploration Completed During the Year Ended December 31, 2023**

On June 29, 2023, Max announced the filing of a technical report for its RT Gold Project. This report, dated March 8, 2023, is titled “RT Gold Project, Cajamarca, Peru” was prepared for Max, by Qualified Person (“QP”) Luis Rodrigo Peralta FAusIMM CP (Geo) in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”). The report can be found on the Company’s website at <https://maxresource.com> and on SEDAR at [www.sedar.com](http://www.sedar.com) under the Company’s Issuer Profile.

**Table 7: Highlight 2021 Drill Core Re-Assay Results.**

Interval	Gold	Silver	Copper	Zinc	From	DDH No.
26.5m	10.8 g/t	20.7 g/t	0.12%	0.29%	13.4m	RT-13
26.3m	3.3 g/t	14.9 g/t	0.25%	0.25%	8.2m	RT-6
20.3m	2.2 g/t	4.2 g/t	1.80%	0.29%	9.6m	RT-7
10.5m	4.7 g/t	7.9 g/t	0.09%	0.02%	10.7m	RT-11
8.6m	6.6 g/t	6.1 g/t	0.05%	0.01%	12.8m	RT-15
4.9m	40.1 g/t	12.8 g/t	0.11%	0.04%	16.2m	RT-16
12.5m	3.5 g/t	5.2 g/t	0.10%	0.04%	39.4m	RT-22
16.4m	3.8 g/t	5.0 g/t	0.07%	0.04%	34.9m	RT-29

CERRO hosts several mineralized zones. Soil geochemistry has outlined a 2.0 by 1.5-km gold anomaly, open in all directions with gold values ranging from 0.1 to 4.0 g/t. The soil geochemistry is coincident with IP chargeability. A continuous channel sample across the zone assayed 3.3 g/t gold over a width of 25.5m.

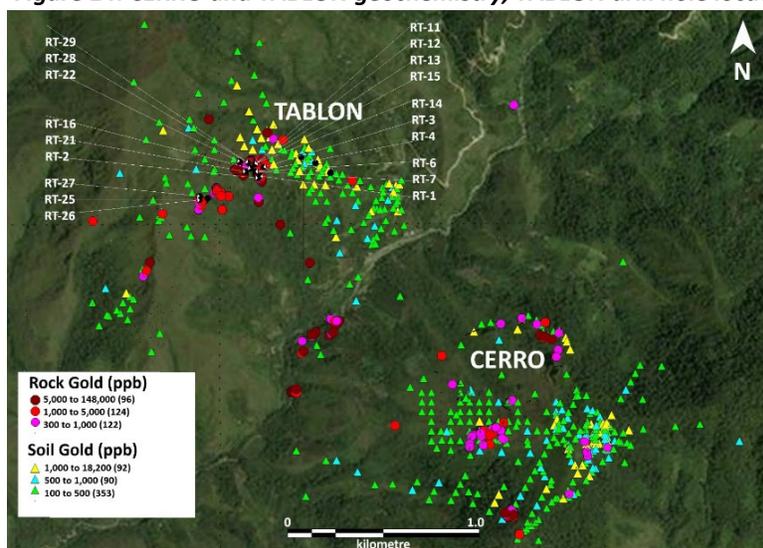
TABLON was drilled in 2001 by Golden Alliance Resources Corp. In February 2021, Max obtained the historic drill core and commenced a re-logging and resampling campaign. The resampling results confirmed thickness and grade of the 2001 historical drill intercepts and reasonably well reproduce the reported grades.

In addition, the gold-bearing mineralization is associated with highly anomalous silver and copper values. The multi element suite of data will allow Max to examine metal ratios and zoning patterns for target generation and geological interpretation purposes.

**Figure 13: RT Gold location.**



**Figure 14: CERRO and TABLON geochemistry, TABLON drill hole locations.**



Subsequent to December 31, 2023, the Company decided that substantive expenditures for further exploration on the RT Gold Project would not be budgeted nor planned and as such, the Company wrote off the property as at December 31, 2023.

### Quality Assurance

The technical content of this Management Discussion and Analysis was reviewed and approved by R. Tim Henneberry, P.Ge.(BC), an Advisor to the Company.

### 1.3 Selected Annual Information

As at December 31, 2023, the Company was listed on the TSX-V. The Company has not recorded any revenues in the current fiscal year and depends upon share issuances to fund its administrative and exploration expenses. See the summary of results, below:

	2023 \$	2022 \$	2021 \$
Revenues	-	-	-
Expenses	(4,159,852)	(5,649,478)	(5,082,232)
Net and comprehensive loss for the year	(7,577,368)	(5,652,234)	(5,075,878)
Basic and diluted net loss per common share	(0.05)	(0.04)	(0.05)
Exploration and evaluation assets	11,769,566	9,182,683	2,065,550
Total assets	18,750,771	25,569,423	3,229,538
Total long-term liabilities	-	270,913	-
Working capital	5,285,382	14,337,055	514,582
Dividends per share	-	-	-

The Company's current projects are at the exploration and development stages and have not generated any revenues.

At December 31, 2023, the Company had not yet achieved profitable operations and had accumulated losses of \$48,754,150 (2022 - \$41,176,782) since inception. The net losses for the years ended December 31, 2023 and 2022 resulted in a net loss per share of \$0.05 and \$0.04, respectively.

At December 31, 2023, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities.

## 1.4 Results of Operations

### Year ended December 31, 2023

During the year ended December 31, 2023 (the “current year”), the Company incurred a loss of \$7,577,368 compared to a loss of \$5,652,234 for the year ended December 31, 2022 (the “comparative year”). Variances between the current year compared to the comparative year are shown in the table below:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting and employment costs	Decrease of \$300,237	Decreased due to the Company capitalizing wages to E&E in the current year which were expensed in the comparative year.
Depreciation	Increase of \$73,780	Increased due to the capitalization of additional equipment in the current year.
Exploration and evaluation expenditures	Decrease of \$69,653	As of 2022 Q1, the Company started to capitalize its expenditures on the CESAR Project as mining concession contracts were awarded. All exploration in the current year was capitalized.
Marketing	Decrease of \$177,614	Decreased due to general market conditions.
Office and miscellaneous	Increase of \$203,683	Increased due to increased corporate activity during the current year.
Professional fees	Increase of \$157,059	Increased due to an increase in the expected audit fees for the current year, legal costs incurred to acquire Bay Street, and other legal costs to maintain the mining claims in Colombia and Peru.
Property investigation	Increase of \$78,349	Increased as the Company searched for additional potential mining claims in Colombia.
Share-based compensation	Decrease of \$1,633,680	Decreased due to the Company granting share options during the comparative year while no share options were granted in the current year.
Travel and related costs	Increase of \$103,695	Increased due to the Company incurring more travel to Colombia and Peru for property visits and to monitor the Company’s projects.

In addition to the above, the Company reported the following items for the current year compared to the comparative year:

- an increase of \$170,091 in interest income in the current year compared to the comparative year due to the investing of the Company’s excess cash;
- an increase of \$541,085 in gain on settlement as the current year reported a gain on settlement for the settlement of the long-term debt while the comparative year reported a loss on settlement when setting up the initial long-term debt obligation; and
- an increase of \$4,125,936 in write-off of exploration asset as the Company chose not to fund further exploration work on the RT Gold Project.

## 1.5 Summary of Quarterly Results

	Q4-2023	Q3-2023	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022	Q1-2022
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Income (loss)	(4,673,549)	(868,797)	(976,152)	(867,672)	(1,099,296)	(913,463)	(2,581,226)	(909,271)
Income (loss) per Share	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)

The loss for 2022 Q2 included a \$1,633,680 expense related to the granting and vesting of incentive share options.

The loss for 2022 Q4 included a \$293,207 loss on settlement of long-term debt.

The loss for 2023 Q4 included a \$247,878 gain on settlement of long-term debt and a \$4,125,936 write-off of exploration asset.

## 1.6 Liquidity and Solvency

At December 31, 2023, the Company had working capital of \$5,285,382 including cash and cash equivalents of \$6,308,230. This compares to working capital of \$14,337,055 at December 31, 2022, inclusive of cash and cash equivalents of \$15,600,259.

The decrease in cash totalling \$9,292,029 during the year ended December 31, 2023 was a result of operating activities consuming \$3,524,917 in cash, exploration and evaluation assets consuming \$5,606,680 in cash, equipment acquisitions costing \$61,130 in cash, and repayment of lease liabilities and long-term debt costing \$138,455 in cash.

Cash flow to date has not satisfied the Company's operational requirements. The development of the Company in the future will depend on the Company's ability to obtain additional financings. While the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

## 1.7 Capital Resources

As at December 31, 2023, the Company had a cash and cash equivalents balance of \$6,308,230 (2022 - \$15,600,259) to settle current liabilities of \$1,275,140 (2022 - \$1,649,965). The Company expects to fund its liabilities and its acquisition, exploration and operational activities over the next fiscal year with cash on hand and from cash received from the issuance of equity securities, primarily through private placements and the exercise of share options and warrants.

## 1.8 Off Balance Sheet Arrangements

On March 18, 2022, the Company entered into a Cooperation Agreement (the "Agreement") with Endeavour Silver Corp. ("Endeavour") to solidify the terms to cooperate in the acquisition of additional mining properties to be included in the CESAR Project. Under the Agreement, Endeavour will provide certain financial capabilities required of the Company by the ANM of Colombia for the benefit of securing additional mineral tenures. Endeavour will hold a 0.5% net smelter royalty on any mineral tenures acquired under this Agreement. In accordance with the Agreement, Endeavour subscribed to 6,600,000 units of the Company's March 2022 private placement ("Endeavour Shares"), representing approximately 5% of the Company's outstanding common shares at that time. The Endeavour Shares shall not be sold, transferred or disposed of until March 28, 2024. In addition, Endeavour has entered into a voting trust agreement to vote its share in favor of the Company's management's recommendations. As at December 31, 2023, 44 (2022 - 24) mineral license applications have been acquired under this Agreement of which none have been converted into CMC contracts.

## 1.9 Transactions with Related Parties

### Related party balances

The following amounts due to related parties are included in accounts payables and accrued liabilities:

	December 31, 2023	December 31, 2022
	\$	\$
Alex Hemel, CFO	12,298	12,726
Brett Matich, CEO, President, Director of the Company	35,876	12,429
Heritage Benefit Planners Inc., a Company controlled by Patrick Frandle, Director of the Company	-	11,000
Paul John, Director of the Company	-	20,000
Prudent Minerals, a Company with common directors	34,112	34,112
Redonda Management Ltd., a company controlled by Alex Hemel	15,750	15,750
Stonefish Capital Inc., a company controlled by Bruce Counts, Director of the Company	5,385	-
	<b>103,421</b>	<b>106,017</b>

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

### Key management personnel compensation (consisting of management and certain directors)

Years ended December 31:	2023	2022
	\$	\$
Management fees paid to Mardu Investments Ltd., a Company controlled by Brett Matich	288,000	323,200
Management fees paid to Redonda Management Ltd.	180,000	169,000
Management fees paid to Heritage Benefit Planners Inc.	15,000	-
Management fees paid to Paul John	20,000	20,000
Geological consulting fees included in exploration assets paid to Stonefish Capital Inc.	40,000	-
Nia Capital Corp., a Company controlled by Kelly Pladson	56,000	36,000
Consulting fees paid to Heritage Benefit Planners Inc.	-	45,000
	<b>599,000</b>	<b>593,200</b>

## 1.10 Fourth Quarter Highlights

### Three months ended December 31, 2023

During the three months ended December 31, 2023 (the “current quarter”), the Company incurred a loss of \$4,673,549 compared to a loss of \$1,099,296 for the three months ended December 31, 2022 (the “comparative quarter”). Variances between the current quarter compared to the comparative quarter are shown in the table below:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Exploration and evaluation expenditures	Decrease of \$69,653	Decreased as all exploration expenditures incurred in the current quarter were capitalized.
Professional fees	Increase of \$131,952	Increased due to an increase in the expected audit fees for the current year, legal costs incurred to acquire Bay Street, and other legal costs to maintain the mining claims in Colombia and Peru.

In addition to the above, the Company reported the following items for the current quarter compared to the comparative quarter:

- an decrease of \$137,685 in foreign exchange loss due to the changes in the foreign exchange rates between the Canadian dollar, United States dollar, Colombian Peso, and Peruvian Sol;
- an increase of \$541,085 in gain on settlement as the current quarter reported a gain on settlement for the settlement of the long-term debt while the comparative quarter reported a loss on settlement when setting up the initial long-term debt obligation; and
- an increase of \$4,125,936 in write-off of exploration asset as the Company chose not to fund further exploration work on the RT Gold Project.

### **1.11 Proposed Transactions**

There are no proposed transactions that will materially affect the performance of the Company other than those which have been disclosed in this MD&A.

### **1.12 Critical Accounting Estimates**

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Significant estimates and judgements made by management in the preparation of the condensed interim consolidated financial statements are outlined below.

#### Significant judgements

##### *Going concern*

The assessment of the Company's ability to continue as a going concern and whether there exists material uncertainties that may cast doubt involves management judgement about the Company's resources and future prospects.

##### *Functional currency*

The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar ("CAD"); however, determination of functional currency may involve certain judgments to determine the primary economic environment which is re-evaluated for each new entity or if conditions change.

##### *Economic recoverability and probability of future economic benefits of mineral exploration and evaluation assets*

Management must use judgment when determining whether there are indicators that its mineral properties may be impaired. Indicators that are considered by management are described in the Company's accounting policy for exploration and evaluation assets.

#### Significant estimates

##### *Valuation of share-based compensation*

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

##### *Income taxes*

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

#### *Valuation of right-of-use asset and lease liability*

The application of IFRS 16 requires the Company to make judgments that affect the valuation of the right-of-use assets and the valuation of lease liabilities. These include: determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The present value of the lease payment is determined using a discount rate representing the rate of a commercial mortgage rate, observed in the period when the lease agreement commences or is modified.

### **1.13 Changes in Accounting Policies including Initial Adoption**

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company's consolidated financial statements.

As part of the new amendments, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements. Management reviewed the accounting policies and made updates to the information disclosed in certain instances in line with the amendments.

### **1.14 Classification of financial instruments**

Financial assets included in the statement of financial position are as follows:

	2023	2022
	\$	\$
Cash	6,308,230	15,600,259
Receivables	19	135,945
	<b>6,308,249</b>	<b>15,736,204</b>

Financial liabilities included in the statement of financial position are as follows:

	2023	2022
	\$	\$
Non-derivative financial liabilities:		
Accounts payables	1,208,438	1,627,671
Loan payable	33,762	-
Current and long-term portion of long-term debt	-	293,207
	<b>1,242,200</b>	<b>1,920,878</b>

### **Fair value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payables, loans payable and long-term debt. The fair value of receivables, taxes recoverable, accounts payables, loans payable and long-term debt approximates their carrying values. Cash and cash equivalents is measured at fair value using level 1 inputs.

### **Financial Risk and Capital Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's cash is deposited with major banks and independent financial services firms in Canada and Peru. The Company maintains certain cash deposits with Schedule I financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk. The Company's tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

The maximum exposure to credit risk as at December 31, 2023 is the carrying value of the receivables which management has assessed the risk of loss as low.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements and the advance of loans. The Company's access to equity financing is dependent upon market conditions and market risks. There can be no assurance of continued access to equity funding.

As at December 31, 2023, the Company had a cash and cash equivalents balance of \$6,308,230 to settle current liabilities of \$1,275,140. Liquidity risk is assessed as low but the Company will need to raise additional funds to carry on with its exploration programs.

Contractual undiscounted cash flow requirements for financial liabilities as at December 31, 2023 are as follows:

	≤1 Year \$	>1-5 Years \$	>6-10 Years \$	Total \$
Accounts payable	964,225	-	-	964,225
Loan payable	33,762	-	-	33,762
	<b>997,987</b>	-	-	<b>997,987</b>

**Currency risk**

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk as it incurs expenditures that are denominated in United States dollars, Colombian Pesos, and the Peruvian Sol while its functional currency is the Canadian dollar. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The majority of cash is held in Canadian dollars.

The following is a summary of Canadian dollar equivalent financial assets and liabilities that are denominated in United States dollars, Colombian Pesos, or Peruvian Sol:

	2023	2022
	\$	\$
Cash	11,375	129,711
Accounts payables	(198,261)	(652,645)
Loan payable	(33,762)	-
Long-term debt	-	(293,207)
Net liabilities	<b>(220,648)</b>	<b>(816,141)</b>

Based on the above net exposures, a 10% change in the Canadian dollar exchange rate compared to with the United States dollars, Colombian Pesos, or Peruvian Sol would change net loss and comprehensive loss by approximately \$22,000.

**Interest rate risk**

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank account. The income earned on the bank account is subject to the movements in interest rates. The Company has cash balances and fixed interest-bearing debt, therefore, interest rate risk is nominal.

**Capital management**

The Company's policy is to maintain a capital base sufficient to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of shareholders' equity. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

**Other risks and uncertainties**

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is engaged in the acquisition, exploration and development of mineral properties. Given the nature of the resource business, the limited extent of the Company's assets, and the present stage of exploration, the following risks factors, among others, should be considered.

***Exploration, Development and Operating Risks***

The Company is in the process of exploration and development of its properties and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its Projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

### ***Fluctuating Resource Prices***

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

### ***Financing Risks and Dilution to Shareholders***

The Company has limited financial resources and no revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its Projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

### ***Title to Properties***

Acquisition of title to mineral properties in Colombia and Peru can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its properties.

### ***Regulatory, Permit and License Requirements***

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

### ***Competition***

The resource exploration and development industry is highly competitive. The Company will have to compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

### ***Reliance on Management and Dependence on Key Personnel***

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

**Local Resident Concerns**

Apart from ordinary environmental issues, the exploration and development the Company's Projects could be subject to resistance from local residents that could either prevent or delay exploration and development of its properties.

**Environmental Risks**

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that mines and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

**Currency Risks**

The Company's financial results are reported in Canadian dollars. The Company's exploration properties are located in Colombia and Peru and the Company incurs most of its expenditures in United States dollars. Any appreciation in the currency of the United States, Colombia, or Peru against the Canadian dollar will increase the Company's costs of carrying out operations and its ability to continue to finance its operations. Such fluctuations could have a material adverse effect on the Company's financial results.

**Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

**Political Risks**

The Company's operations may be adversely affected by changes in governmental policies or other economic developments which are not within the control of the Company including a change in taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, export of products, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

**Uninsurable Risks**

Exploration, development and production operations on resource properties involve numerous risks, including unexpected or unusual geological and/or operating conditions, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

**Litigation**

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

## Contingencies

During the year ended December 31, 2019, certain Colombian employees of Noble Metals Ltd. were registered under the Company's name with the Colombian tax authorities, without the consent of the Company. The Company has hired a Colombian law firm to unwind this unauthorized registration; however, the Company may face potential claims from these employees with respect to taxes, salaries and social security. The Company intends to vigorously defend against any potential claims, which cannot be reasonably estimated at this time.

### 1.15 Other MD&A Requirements

#### Equity Securities Issued and Outstanding

##### *Common Shares*

The Company has one class of common shares. Below is a summary of the common shares, share options, warrants, and Performance Share Units ("PSUs") issued and outstanding as at December 31, 2023 and the date of this report.

	December 31, 2023	Date of this report
Common shares	175,884,325	175,884,325
Share options	11,065,000	10,990,000
Warrants	15,503,704	14,825,000
PSUs	4,000,000	4,000,000

##### *Share Options*

The following tranches of share options are outstanding as of the date of this report:

Number of options outstanding and exercisable	Exercise price	Expiry date
	\$	
800,000	0.15	January 3, 2025
1,800,000	0.21	August 24, 2025
1,000,000	0.40	November 9, 2025
3,720,000	0.55	April 26, 2026
3,670,000	0.24	December 20, 2026
<b>10,990,000</b>		

##### *Warrants*

The following tranches of warrants are outstanding as of the date of this report:

Number of warrants outstanding	Exercise price	Expiry date
	\$	
14,825,000	0.36	March 28, 2025
<b>14,825,000</b>		

**Performance Share Units:**

The Company has issued PSUs to certain directors, employees, officers, and consultants of the Company. As of the date of this report, the following tranche is outstanding:

Number of PSUs Outstanding	Vesting Date
4,000,000	Upon change of control, but not earlier than November 17, 2023
<b>4,000,000</b>	

**Other Information**

Additional information relating to the Company can be found on or in:

- the Company’s website at [www.maxresource.com](http://www.maxresource.com) ;
- SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca); and
- the Company’s audited consolidated financial statements for the years ended December 31, 2023 and 2022.

This MD&A was approved by the Board of Directors of Max Resource Corp effective April 29, 2024.